Fiscal Risks to the Health System: Time for a Review of Facilities and Services

Presentation to the
“Forum on Health Outcomes and Health Costs: What Can We Afford?”
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“I need something to relieve my stress. Can you prescribe some money?”
Province of Newfoundland and Labrador
Surplus/(Deficit)
Years Ended March 31
($ Billions)

Source: Public Accounts (actual); Department of Finance (forecast)
Risks Identified by Auditor General, 2017

- lower than expected oil prices and production,
- difficulties achieving spending cuts,
- slower economic growth than predicted, and
- Muskrat Falls rate mitigation.
Health Budget $3 billion – constant dollars

Ongoing Cuts will still be necessary for:

- **Inflation**
  - Pharmaceuticals
  - hospital supplies,
  - professional services,
  - Other procurement
  - Replacement of technology, machinery and equipment,
  - maintenance that cannot be deferred.

- **New Priorities**
  - Mental Health and Addictions
  - Primary Health Care
  - Chronic Disease Management
Share of Population 65 Year and Older in 2013 and 2038 (Stats Canada Medium M1 Growth Forecast - Modified: May 26, 2015)

Source: http://www.statcan.gc.ca/pub/91-520-x/2014001/tbl/tbl3.5-eng.htm
eDOCSNL Patients of Doctors with EMR

![Graph showing the increase in patients in eDOCSNL from 1/Aug/17 to 1/Feb/18.](image-url)
Risks that Create Need for Health Sector Plan

• Deficit Targets Not Met
• Constant Dollar Health Budgeting
• Demographic Change
• Technological Disruption
Possible Budget Envelopes for Health

1. National Average per capita – cut $605 million

2. Manitoba-Saskatchewan Average per capita – cut $402 million

3. Government’s Current Stance - $3 billion constant dollars until 2022-23
NEWFOUNDLAND AND LABRADOR MEDICAL ASSOCIATION

REBUILDING NL HEALTH:

PROPOSAL BY THE NLMA TO THE MINISTER OF HEALTH AND COMMUNITY SERVICES
Per Capita Provincial/Territorial Health Spending, NL and Canada, 2017-18 (prelim)

Source: CIHI
Tasmanian Role Delineation Framework:

- Identifies the levels of complexity of clinical services, and the interdependencies between clinical services.

- Allows for identification of resource requirements for each level of service.
A Review of Health Facilities and Services In Newfoundland and Labrador
Questions?